MEMORANDUM

CONFIDENTIAL

NATIONAL SECURITY COUNCIL

INFORMATION

July 30, 1979

MEMORANDUM FOR:

ZBIGNIEW BRZEZINSKI

FROM:

GLOBAL ISSUES

et Blom Gell

SUBJECT:

Evening Report

Philippines. Met with Lou Nosenzo, Kitty Schirmer, Mike Oksenberg, et al this morning to discuss the Philippine reactor problem and Westinghouse's recent letter to the President. The history of this one is infinitely complicated, but the present situation is roughly, this: The reactor site is in an area of possible volcanic and seismic activity. The IAFA investigated and thought additional precautions were advisable; our own experts in the U.S. Geological Service don't like the site but don't want to take a position. After much delay on the licenses, Marcos stopped construction and ordered an investigation. Work had virtually stopped anyway for lack of the components. Three NRC licenses are involved; one for the reactor, one for fuel, and one for some components. State has put the reactor and fuel licenses on hold, recommended favorably on the components, but Marcos' has recently said he doesn't want the components until his investigation is completed. The technicians are divided on whether there is a real problem; Marcos is trying to cover himself politically and with respect to financial liability if the project is stopped (about \$500-700 million in EXIMBANK loans are committed). Westinghouse blames it all on State, implies that they are really using this as a human rights leverage, and apparaetly wants to build a force majeure case to avoid liability. On the operative question, State will draft a response setting the record straight, and we may call in Westinghouse representatives for a hand-holding session with the NSC and Kitty. (C) (Oplinger)

Behind all of this, there is a real policy issue: to what extent should the U.S. make judgments about health and safety issues in nuclear exports, or leave such judgments to the pruchasing government? (U) (Oplinger)

Refugees. When I was at USUN last Friday I could not find any activity regarding the International Refugee Resettlement fund we proposed in Geneva, possibly because the UN Secretariat people and many permanent representatives are still in Geneva at the ECOSOC meeting. At Dick Clark's request Henry Owen and I are having lunch with him tomorrow on this subject. (I note from a cable Dick sent last Friday that he met with the President last Wednesday on the refugee issue. Is there some way in which I should be monitoring such meetings?) (U) (Bloomfield)

Miscellany. (a) The three Italian Navy ships began their search for refugees last friday. (U) (Bloomfield)

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- (b) George Barbis, Dick Clark's deputy, told me this morning the Mayor of San Francisco is concerned that a large number of refugees are coming into Travis Air Force Base and also congregating at the San Francisco International Airport. S/R has asked DOD if there are any additional free spaces for refugees in the Bay area, and ICEM (which is apparently responsible for the refugees' onward transportation) has evidently rented rooms for some of them. The Mayor may go public on this question. I suggested to Barbis that he also talk to HEW about short-term accommodations. (C) (Bloomfield)
- (c) Regarding a possible UN Security Council Meeting on the refugee question (Romulo is probably coming to New York with the expectation that there will be such a meeting). I am glad that State thinks we should stay cool until we see whether SVN is mending its ways. It surely would be a mistake for the US to lead the charge so soon after our statesmanlike lead in Geneva. (C) (Bloomfield)

LOS. Last Thursday, I spent the day with Elliot Richardson and the US delegation to the Law of the Sea Conference in New York. Elliot also arranged for me to see key people at the Conference. I sat in on the delegation meeting, had private calls on UN Deputy SYG Zuleta, President H. Shirley Amerasinghe, and Tommy Koh of Singapore, who chairs the Financial Committee, and met Paul Enko (Cameroon) who has been in many ways the villain of the piece and is still chairman of the Political Committee of the Conference. Deptuy US Representative George Aldrich hosted a luncheon with two key LDC delegates, Chris Pinto (Sri Lanka), and Thompson-Flores of Brazil. I also met with three key G-77 leaders, Satya Nanden (Fiji) who was the chairman of G-77 last year and is obviously anxious for a moderate outcome, Joseph Wyroba, Attorney General of Tanzania, who is not necessarily moderate but is highly respected, and Ambassador de Soto of Peru, current coordinator of the G-77 political committee. I also had a separate meeting with Admiral Craemer, the Joint Chiefs representative on the US delegation. (My chief conclusions and concerns are summed up in a separate memo to you.) (C) (Bloomfield)

UN. I spent Friday discussing USUN problems and activities with Andy Young and staff — a very useful in-house briefing. (U) (Bloomfield)

Waldheim Meeting. I am preparing a detailed Memcon of the President's meeting today with UN SYG Kurt Waldheim, which I shall have in your hands shortly. For the moment, let me just say that I continue to marvel at — and appreciate — the unquenchable optimism of those who hold the position of UN Secretary General in an egregiously imperfect world. (C) (Bloomfield)

Literary Thriller. Not exactly for commic relief but certainly an extraordinary change from the usual official expository prose, I commend to you the attached cable from Amembassy Buenos Aires. (U) (Bloomfield)

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Couler Call. 28 (Glabol France). Oplinger-Bloom Field Subject File

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f. Evening Reports, 4-8/79